GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:674
ANSWERED ON:27.11.2006
ASSISTANCE FROM SDF
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the proposals received from the Government of Karnataka for assistance to sugar mills from Sugar Development Fund (SDF) during the last five years;

(b) the amount sanctioned and released to the sugar mills during the said period;

(c) whether the assistance sanctioned for some mills particularly Bhadra SSK, Doddabathi, Davangere has not been released so far;

(d) if so, the reasons therefor; and

(e) the steps taken to ensure early release of the funds?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): The proposals for sanction of financial assistance from SDF pertaining to various schemes received during the period 2001-02 to 2006-07 (upto 31.10.2006) are as under:

Year	No. of Application received
2001-02	2
2002-03	1
2003-04	4
2004-05	2
2005-06	5
2006-07	1

(b): The amount sanctioned and released during the above mentioned period is as under:

(In lakhs)

Year	Sanctioned	Released
2001-02	Nil	Nil
2002-03	Nil	Nil
2003-04	231.30	Nil
2004-05	369.94	Nil
2005-06	416.69	272.44
2006-07 (upto 31.10.2006)	Nil	Nil

(c): Yes Sir.

(d) & (e): The Sugar Development Fund Rules, 1983, provide that the Central Government shall authorise payment of loan from fund only to such sugar undertakings which have fully repaid all the sums which have become due in respect of Sugar Development Fund and Levy Sugar Price Equalization Fund. In addition, the sugar mills have to fulfill the terms and conditions as given in the Administrative Approval i.e. signing of Tripartite Agreement, furnishing of security for loan and interest thereon, opening of no lien account in the bank and production of proof of deposit of 10% of the cost of schemes/projects before disbursement/release of loan.

M/s Bhadra SSK, Doddabathi, Davangere, has outstanding SDF dues on account of previous cane development loan from SDF and as such instalment of fresh loan could not be disbursed. The sugar mill has been advised to repay the outstanding dues at the earliest under intimation to the Government of Karnataka. The other sugar mills are required to fulfill the terms and conditions as per SDF Rules and Administrative Approval.